THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The agency-wise details of the number of accounts/borrowing members to whom loans have been disbursed during the last three years, as reported by National Bank for Agriculture and Rural Development (NABARD) are given below:

(No. in thousands)

Year	No. of accounts/No. of borrowers		
	Cooperative Rural Banks	Regional Banks	Commercial Banks
1999-2000	5793.50	47006.00	1914.05
2000-2001	5841.30	60756.00	1570.59
2001-02	N.A.	59881.00	2393.25

(b) and (c) Reserve Bank of India (RBI) has reported that no target has been prescribed in this regard. However, Public Sector Banks are required to meet a target of 18% of net bank credit for lending to agriculture.

Loan related problems of farmers

† 2177. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE be pleased to state:

(a) whether Public Sector Banks have any proposal for disposal of loan related problems of farmers by making intensified contact with them;

(b) if so, the details thereof;

(c) whether notices have been issued to all public sector banks regarding settlement of loans; and

(d) by when the loan of farmers is likely to be settled?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Reserve Bank of India (RBI) has reported that the loan related problems between the borrowers and their bankers are generally sought to be disposed of by mutual contact and communication.

(c) and (d) Government has announced in June, 2004 a package of relief for the farmers which among others envisages One-Time Settlement (OTS) Scheme for small and marginal farmers, who have been declared

†Original notice of the question was received in Hindi.

as defaulters and have become ineligible for fresh credit from lending institutions. The scheme would enable such farmers to settle their accounts in a transparent manner and thereafter, access fresh credit Accordingly, RBI has advised all scheduled commercial banks including public sector banks to formulate guidelines, with the approval of their boards of Directors, on OTS for small and marginal farmers. The Indian Banks'Association (IBA) had advised banks to complete the exercise of notifying such defaulters of the OTS guidelines by August 31, 2004. All applications for OTS have to be processed within one month of the receipt of the same. Banks are to ensure that settlement is done without discrimination and in a transparent manner so that farmers can access fresh credit.

Enhancement of Bank credit in Maharashtra

2178. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Mumbai has only 2.4 percent growth in bank credit against 31.8 percent of Bangalore despite Mumbai's position -as financial capital of India with its historical, geographical and natural harbour advantages;

(b) if so, the reasons therefor; and

(c) the steps being taken by Government to restore Mumbai's position in bank credit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The annual growth rate of credit based on gross bank credit in respect of Mumbai and Bangalore was 10.5% and 31.6% respectively during the year 2003-04 and 12.2% and 23.5% respectively in 2002-03.

(b) and (c) The rate of credit growth of a State/city generally depends on the extent of credit requirements in a particular year, which varies from year to year.